

110TH CONGRESS  
2D SESSION

# H. R. 6125

To provide a mechanism for the construction of petroleum refineries on military installations to provide a reliable source of petroleum products for use by the Armed Forces, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 22, 2008

Mr. BURGESS introduced the following bill; which was referred to the Committee on Armed Services, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To provide a mechanism for the construction of petroleum refineries on military installations to provide a reliable source of petroleum products for use by the Armed Forces, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. MILITARY USE REFINERIES.**

4 (a) AUTHORIZATION.—The President may authorize  
5 the design and construction of one petroleum refinery for  
6 each of the Army, Navy, Air Force, and Marine Corps that  
7 will be—

1 (1) located at a site—

2 (A) on a military installation designated by  
3 the President, other than a closed military in-  
4 stallation or portion thereof; or

5 (B) on a closed military installation, or  
6 portion thereof, made available for the siting of  
7 a refinery in the manner provided by the base  
8 closure law applicable to the installation; and

9 (2) reserved for the exclusive purpose of manu-  
10 facturing petroleum products designated for con-  
11 sumption by units and elements of that branch of  
12 the Armed Forces.

13 (b) SOLICITATION FOR DESIGN AND CONSTRUCTION  
14 PROPOSALS.—The President shall solicit proposals for the  
15 design and construction of a refinery under this section.  
16 In selecting a proposal or proposals under this subsection,  
17 the President shall consider—

18 (1) the ability of the applicant to undertake and  
19 complete the project;

20 (2) the extent to which the applicant's proposal  
21 serves the purposes of the project; and

22 (3) the ability of the applicant to best satisfy  
23 the criteria set forth in subsection (c).

1       (c) REFINERY CRITERIA.—A refinery constructed  
2 under this section shall meet or exceed the industry aver-  
3 age for—

4           (1) construction efficiencies; and

5           (2) operational efficiencies, including cost effi-  
6       ciencies.

7       (d) OPERATION OF REFINERY.—In the case of a site  
8 referred to in subsection (a)(1)(A), after the construction  
9 of the refinery, the site shall be leased for operation, for  
10 its fair market value, to an applicant selected in the man-  
11 ner described in subsection (b). In the case of a site re-  
12 ferred to in subsection (a)(1)(B), after the construction  
13 of the refinery, the site shall be disposed of in the manner  
14 provided by the applicable base closure law.

15       (e) USE OF PRODUCTS.—All petroleum products  
16 manufactured at a refinery constructed under this section  
17 shall be sold to the Federal Government, at a price not  
18 to exceed the fair market value of the petroleum products,  
19 for use by the Armed Forces.

20       (f) FUNDING.—A contract for the design or construc-  
21 tion of a refinery may not be entered into under this sec-  
22 tion in advance of the appropriation of funds sufficient  
23 for such purpose. Funds appropriated for the Department  
24 of Defense or for Department of Energy national security  
25 programs may not be used to enter into contracts under

1 this section for the design, construction, or operation of  
 2 a refinery. Funds appropriated for the Department of De-  
 3 fense may be used to purchase petroleum products manu-  
 4 factured at a refinery constructed under this section for  
 5 use by the Armed Forces.

6 (g) DEFINITIONS.—In this section:

7 (1) The term “base closure law” means the De-  
 8 fense Base Closure and Realignment Act of 1990  
 9 (part A of title XXIX of Public Law 101–510; 10  
 10 U.S.C. 2687 note) and title II of the Defense Au-  
 11 thorization Amendments and Base Closure and Re-  
 12 alignment Act (Public Law 100–526; 10 U.S.C.  
 13 2687 note).

14 (2) The term “closed military installation”  
 15 means a military installation closed or approved for  
 16 closure pursuant to a base closure law.

17 **SEC. 2. REPEAL OF REQUIREMENT RELATING TO PRO-**  
 18 **CUREMENT AND ACQUISITION OF ALTER-**  
 19 **NATIVE FUELS.**

20 Section 526 of the Energy Independence and Security  
 21 Act of 2007 (42 U.S.C. 17142) is repealed.

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